

Meeting 7-19-84 Pat. Dick, Me. Derrick
Grace Emergency Permit

~~Discussion~~

We decided that their justification for requesting an emergency permit was not valid (144.34(a)(2)), and that neither of the other 2 reasons apply. Therefore, we cannot grant the emergency permit. The weakness in their rationale lies in the fact that they indeed could have made timely application for a permit. 144(a)(2)(i).

Action to be taken:

1) Letter to Johnson (cc Office) stating denial of request for emergency permit + reasons why. Also to reiterate the fact that they are injecting illegally + uncleaning pens. ~~Have~~ Only way is to shut in. (LAURA)

2) Draft Permits prepared - Laura will prepare draft permits ASAP.

3) Prepare Litigation Report - Derrick will initiate on 2nd or 3rd of October - Laura will assist

Response to Deficiency letter Grace Petro - 9-12-84

o going's Gov't #10

Rec'd in DWB 9-11-84 (Received in ^{WMD} Office 9-7-84)

1. Signatory - Complete
2. Description of Injection Operation - Complete
3. Permit Appl. Form - Complete
4. Area of Notification - Complete - 1/2 mile as noted.
5. Topographic Map - Complete
6. USDW's - Complete with explanation of no adverse effects.
7. Geological Data on Injection & Confining Zones - Complete.
8. Operating Data - Complete
9. Plugging and Abandonment Plan - Complete Submitted on form.
10. Necessary Resources - Surety Bond Submitted. Complete.

Well specific deficiencies:

1. Downhole diagram - Very much improved. All my questions were answered. Complete.

I certify this application to be complete. 9.13.84. Laura Clemmens

PERMIT APPLICATION REVIEW CHECKLIST

Goings Gov't -
Grace Petroleum
8/13/84

- I. For a new well (including conversions) there are 30 days to determine completeness. For an existing well, there are 60 days.
- II. All application requirements must be fulfilled. Requirements can be found in 144.31 as follows (this includes the amendment made in the May 11 promulgation, addition of 144.31(9)):
- A. All applicants for permits shall provide the following information to EPA using the standard permit application form:

See Comment 9

1. The activities conducted by the applicant which require it to obtain a UIC permit.

- ✓ 2. Name, mailing address and location of the facility for which the application is submitted.

NO - We'll Add

3. Up to four SIC codes which best reflect the principal products or services provided by the facility.

- 4. Operator's name, address, telephone number, ownership status and status as Federal, State, private, public or other entity.

YES

5. Whether the facility is located on Indian lands.

NO -

6. Listing of all permits or construction approvals received or applied for under any of the following programs: UIC; NPDES; PSD; Nonattainment; NESHAPS; 404; Other relevant environmental permits, including State permits.

✓ NO - See Comment 3

7. Topographic map (or other, if topo is unavailable) extending one mile beyond the property boundaries of the source, depicting facility; each well where fluids are injected underground, springs and other surface water boundaries, and drinking water wells listed in public record or otherwise known to applicant within 1/4 mile of facility property boundary.

GET IT BUT NEED INSPECTION DESCRIPTION

8. Brief description of nature of business.

NO -

See Comment 11

9. List of names and addresses of all owners of record of land within 1/4 mile of facility boundary.

- 10. All required attachments as listed below. See the reverse of the permit application form for details.

Attachments for Class II Wells (Existing)

- a. Area of Review Methods
- e. Name and Depth of USDWs
- g. Geological Data on Injection and Confining Zone
- h. Operating Data
- m. Construction Details
- q. Plugging and Abandonment Plan
- r. Financial Responsibility
- s. Aquifer Exemption Requests
- t. Existing EPA Permits
- u. Description of Business

Attachments for Class II Wells (New)

- a. Area of Review Methods
- b. Maps of Wells/Area and Area of Review
- c. Corrective Action Plan and Well Data
- e. Name and Depth of USDWs
- g. Geological Data on Injection and Confining Zone
- h. Operating Data
- m. Construction Details
- q. Plugging and Abandonment Plan
- r. Financial Responsibility

B. If the well needs an aquifer exemption, get the necessary information from the application, or request it from the applicant. The well cannot be permitted without an aquifer exemption.

C. All signature and certification requirements must also be complied with. Requirements are listed in 144.32. They are as follows:

566 COMMENT 1.

1. All permit applications shall be signed as follows:

- a. For a corporation: by a principal executive officer of at least the level of a vice-president;
- b. For a partnership or sole proprietorship: by a general partner or the proprietor, respectively; or
- c. For a municipality; State, Federal or other public agency: By either a principal executive or ranking elected official.

D. For Class II wells only, the permit application may also be signed by a duly authorized representative of any person in the above paragraph. Duly authorized representatives are described in 144.32(b).

III. If the application is incomplete, list all the information necessary to make the application complete, and draft a transmittal letter for the RA's signature requesting the missing information.

IV. If the application is complete, prepare a letter for the RA's signature notifying the applicant of the determination of completeness and of the effective date of the permit application. If the permit is for a major facility, draft a project decision schedule as well.

Has an AE
11/81

Completeness Review -

8/13/84

Goings Government -

- ✓ 1. Signatory - Improper authority.
- ✓ 2. Changes to Page 1 - Goings to Goings Gov't
SIC Codes 1311
- 3. Att. A - Areas of Review Methods - OK.
But see 144.31(e)(7) - Topo map
1 mile radius - etc.

see 5. ✓ 4. Att. E - USDW's - Please elaborate. Are there no USDW's overlying Dakota? (JUDITH RIVER FOR CERTAIN)? If there are USDW's, how are they rendered unaffected by the injection?

see 6. ✓ 5. Att. G - Inj. + Confining Zones -
Need Thickness, Depth + Frac Pressure
of Confining zones - Skull Creek +
Kootenai in ~~the~~ injected zone. Elaborate on confining zones

6. Att. H - (4) More details on source water - which ^{set of} oil wells is ^{the} produced water coming from? Are the water analyses inclusive of all source wells?

7. Att. Q - Please resubmit plugging plan on P+A form, 7520-14.

ATTACHED
(ENCLOSURE 3)

8. ^{Att. R} Please submit copy of Bond. (Para on bonds). Is bond blanket bond?

9. Att. U - Describe injector operation!

Goings Gov't #2.

8/13/84

Sec #6 - Att. H - Operating Data

Water Samples needed of all produced waters that will be used as injection fluid. Also - need analysis of injection formations (to prove ^{The} ~~is~~ Dakota)

10. Att. M - Construction Details

* Downhole diagram for Goings Gov't 4 is unclear - what is the 7" top, casing?, cement? Please delineate cement to ^{depth} ~~depth~~ surface casing (depth ^{is} ~~is~~ known is there) cemented to the surface? T.D.? PBTD?

✓ 11. Notification 144.31(e)(9) -

MT: 1355. — & submit list to EPA.

* 12. ^{On} Indian lands - ^{Existing} BLM Permit? ^{Copy?}

Must meet BLM reg'try & monetary requirements.

Correspondence to Applicant
From EPA

DEC 12 1984

Ref: 8WM-DH

James Johnson
Grace Petroleum Corporation
143 Union Boulevard, Suite 760
Lakewood, Colorado 80228

RE: Underground Injection Control (UIC)
Permit Application for:
Outlook #1 SWD Well
Permit No. MTS210K-0020

Dear Mr. Johnson:

The UIC permit application for the above-mentioned well is currently under review and a draft permit is being prepared.

The UIC regulations (See 40 CFR Part 144.52(a)(7)) require that all permittees maintain financial responsibility and resources to close, plug and abandon their UIC operations in a manner prescribed by the EPA (See 40 CFR Part 146.10). The permittee must show evidence of such financial responsibility by the submission of a surety bond or other adequate assurance.

Because standard guidance on financial responsibility had not been issued to the regional EPA offices at the time application was made for the Outlook #1, the Region was obliged to accept the blanket surety bond (#574E0693) with the State of Montana, which was submitted as part of the original permit application, as interim demonstration of financial responsibility. However, guidance has now been issued which renders the blanket bond submitted to be insufficient to meet the UIC program financial responsibility requirements. Therefore, all permittees must submit a new instrument of financial responsibility listing EPA as beneficiary.

The available options are outlined in the chart on the next page and discussed briefly in the attached interim guidance.

-Page 2-

OPTION	SOURCE OF FUNDS GUARANTEED BY	STANDBY TRUST REQUIRED	AMOUNT OF COVERAGE
1. <u>Surety Bond</u>	Financial Institution	YES	Variable
2. <u>Trust Fund</u>	Operator	NO	Variable
3. <u>Letter of Credit</u>	Either operator or financial institution	YES	Variable
4. <u>Insurance Policy</u>	Financial Institution	YES	Variable
5. <u>Financial Statement</u>	Operator Financial Status	NO	No specific dollar coverage required

It is your responsibility to secure and maintain an acceptable mechanism for demonstrating financial responsibility by February 1, 1985. Please review the enclosed information and determine whether further clarification is needed. If you have any questions with regard to this matter please contact me at (303) 844-2731.

Sincerely yours,

Laura Clemmens
Environmental Scientist

Enclosure

cc: Robert Coffia

Clemmens/12-7-84/9730P

RECORD OF COMMUNICATION		<input checked="" type="checkbox"/> PHONE CALL <input type="checkbox"/> DISCUSSION <input type="checkbox"/> FIELD TRIP <input type="checkbox"/> CONFERENCE <input type="checkbox"/> OTHER (SPECIFY)	
		(Record of item checked above)	
TO:	Grace Jim Johnson (Petrochem)	FROM:	Laura Clemmens
		DATE	10/11/84
		TIME	10:45
SUBJECT Tests for Buck Elk #2, Springs for #1, EPU 110-XD			
SUMMARY OF COMMUNICATION			
<p>I asked Jim to schedule the MIT's for Monday, A.M. (10/15). Bill Engle arranged for Jackie Miller of the Ft. Peck Indian tribe to witness the tests at that time. Johnson will call Miller (406) 768-5155, and arrange for a Grace Rep. to meet with her at the site.</p> <p>Johnson also stated that a "chart recorder" will be used to record the test. They will hold the tubing/casing annulus pressure at <u>at least</u> 300 psi, for 45 minutes.</p>			
CONCLUSIONS, ACTION TAKEN OR REQUIRED			
<p>Johnson will call me on Monday or Tuesday to arrange a meeting.</p>			
INFORMATION COPIES			
TO: Cr. H. Long, Hobson, File, Frene HE			

CLEMMENS/craig/10/5/84/8386P/page 1/draft
CLEMMENS/clemmens/10/9/84/8386P/page1/final1

OCT 10 1984

REF: 3WM-DW

Mr. James Johnson
Grace Petroleum Corporation
143 Union Boulevard
Lakewood, Colorado 80228

RE: Tests Required for Underground
Injection Wells: EPU 110-XD (MTS21PE-0007)
Goings Government (MTS21PW-0008)
Buck Elk 2 (MTS21PE-0009)

Dear Mr. Johnson:

As you discussed with Patrick Crotty, Derrick Hobson, and Laura Clemmens on October 2, we have reviewed the files for the above mentioned wells and have determined that, prior to recommending injection in those wells, Grace Petroleum will be obligated to perform and/or document the following tests:

- A) EPU 110-XD
 - 1) Tubing/Casing Annulus Pressure Test; and
 - 2) Cement Bond Log or Cement Evaluation Tool, including an interpretive analysis
- B) Goings Government:
 - 1) Tubing/Casing Annulus Pressure Test; and
 - 2) Injection Profile (radioactive tracer and temperature survey to show that fluid is flowing into the injection zone solely through the designated perforations, including interpretive analyses).
- C) Buck Elk #2
 - 1) Tubing/Casing Annulus Pressure Test, and
 - 2) Cement bond log or Cement Evaluation Tool from a depth of 1180' to the surface including an interpretive analysis.

EPA must be notified at least ten days in advance of the pressure tests, so that EPA has the opportunity to witness the tests. Please contact Laura Clemmens at 844-2731 if you have any questions.

Sincerely yours,

ORIGINAL SIGNED BY
MAX H. DODSON

Max H. Dodson, Director
Water Management Division

CLEMMENS/craig/10/5/84/8386P/page 1/draft
CLEMMENS/clemmens/10/9/84/8386P/page1/draft2

Clemmens
3WM-DW
10/11/84

8WM-DW
RA Log
12/2/84

3WM-DW
Crotty
10/9/84

3RC
Hobson
10-09-84

P. H. M.
10/10/84

#1167



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION VIII
1860 LINCOLN STREET
DENVER, COLORADO 80295

SEP 26 1984

Ref: 8WM-DW

Mr. James Johnson
Grace Petroleum Corporation
143 Union Boulevard, Suite 760
Lakewood, Colorado 80228

Re: Emergency UIC Permits for:
EPU 110XD (Permit #MTS21PE-0007)
Goings Gov't (Permit #MTS21PW-0008)
Buck Elk 2 (Permit #MTS21PE-0009)

Dear Mr. Johnson:

This letter is in response to your request of September 14, 1984 for emergency permits for the above-referenced wells. It has been determined that we will not be able to grant the emergency permits that you requested for the following reasons:

1) Pursuant to 40 CFR Section 144.34(a)(2), although it may be true that a "substantial...loss of oil and gas resources will occur...", please note that the granting of the emergency permit is contingent on the requestor meeting the conditions stated in 40 CFR Section 144.34(a)(2)(i and ii). An acceptable demonstration that timely application for a permit could not have practicably been made has not been presented. Over 30 days were provided for your response to our request. We did not hear from you until August 6, when we received the permit applications. As specified in our letter to you of June 25, by not responding until after the deadline, your authorization to operate the subject wells was terminated.

2) Neither 144.34(a)(1) or (3) applies to your situation.

As stated in our letter of August 18, your failure to respond on or before July 30, 1984 is a violation of the Safe Drinking Water Act. Since your authorization by rule to operate the designated wells has terminated, continued operation of the above-mentioned wells subjects you to penalties and/or fines of up to \$10,000 per well per day of violation.

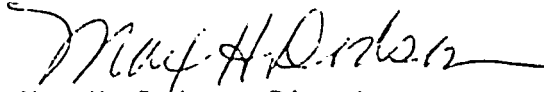
Since obtaining an emergency permit to continue injection operations is no longer an option, we once again advise that you shut in all three wells immediately. Injection operations should cease until permits have been issued for all three wells.

8WMBWV51-010

-2-

As noted in our letter of September 13, your applications for permits for the three subject wells have been declared complete. Laura Clemmens is currently reviewing those permit applications. Please contact Ms. Clemmens if you have any questions. We will keep you informed as to the progress of those permit applications.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Max H. Dodson", with a long horizontal flourish extending to the right.

Max H. Dodson, Director
Water Management Division

cc: Bob Coffia

8WMEWU51-011

Jura

9/14/89

Bob Coffia called

Grace Petroleum

Ft Peck well (3)

Made application but failed to
request emergency permit provisions
#2 & 3 apply

sure no movement of fluid

Bob operates at corporate level for
Environmental matters. Denver is the
operations office. We should deal with
Denver officially, but Bob would
like copies of transmitted letters
etc if we can do it.

Bob will send written requests for
Emergency Permits today, may call
Jura Tue or Wed to determine status

Post

SEP 13 1984

Ref: 8WM-DW

James Johnson
143 Union Boulevard, Suite 760
Lakewood, Colorado 80228

Re: UIC Permit Applications
EPU 110-XD MTS21PE-0007
Goings Gov't #1 MTS21PW-0008
Buck Elk #2 MTS21PE-0009

Dear Mr. Johnson:

Thank you for your response to our letter of August 20. We are pleased to inform you that the UIC permit applications for the three salt water disposal wells referenced above are now complete. We are currently in the process of writing draft permits for these wells. Once the draft permits have been prepared, EPA will issue a public notice requesting public comment on the draft permits.

Laura Clemmens is the permit writer assigned to your permits. Inquiries should be addressed to Ms. Clemmens at the Denver address or at (303) 844-2731.

Sincerely yours,

Max H. Dodson, Director
Water Management Division

cc: Bob Coffia

8WM-DW
Clemmens
9/13/84

BRC
Hobson
09-13-84

8WM-DW
Crotty
9/13/84

8WM-DW
Frenette
9/13/84

8WM
Humbert
MHD
9/13/84



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION VIII
1860 LINCOLN STREET
DENVER, COLORADO 80295

SEP 13 1984

Ref: 8WM-DW

James Johnson
143 Union Boulevard, Suite 760
Lakewood, Colorado 80228

Re: UIC Permit Applications
EPU 110-XD MTS21PE-0007
Goings Gov't #1 MTS21PW-0008
Buck Elk #2 MTS21PE-0009

Dear Mr. Johnson:

Thank you for your response to our letter of August 20. We are pleased to inform you that the UIC permit applications for the three salt water disposal wells referenced above are now complete. We are currently in the process of writing draft permits for these wells. Once the draft permits have been prepared, EPA will issue a public notice requesting public comment on the draft permits.

Laura Clemmens is the permit writer assigned to your permits. Inquiries should be addressed to Ms. Clemmens at the Denver address or at (303) 844-2731.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "William H. Dodson" or similar, written over the typed name.

Max H. Dodson, Director
Water Management Division

cc: Bob Coffia

RECORD OF TELEPHONE CALL

DATE : 08-21-84 TIME: ~ 1:40 p.m. FILE NO. _____
 FROM : Derrick Holson
 TO : Bob Coffia 1-800-659-9175
 SUBJECT: Grace Petroleum's unauthorized operation of Type II recovery
 REMARKS: Wells in Montana - MTS21PE-007, EPU 110XD; MTS 2110W00B,
Goings Gov't; MTS21PE-009, BAK Back ELK.

Coffia and I discussed the matter of his Co's
injection operations of the above ref. wells. I informed him
that the Co. was currently without authorization to conduct
injection operations at these well sites and should be
discontinued. We discussed the letter / notice of def. that
went out on 08-21-84, and the temporary permit
provisions of the Regs at § 194.39. Coffia stated that
he would like to settle the current non compliance
issues (unauthorized injection) - he referred to "a token
penalty of a few hundred dollars." I told him that the
Region would be willing to discuss settlement with him, but
that he should hasten getting a complete application in - after the
compliance issue is settled - we will discuss settlement. He
promised to get the application in before the week's end. I told him
 ACTION REQUIRED:
to refer questions on completing the permit to Laura Clemmens at
844-2731

Derrick Holson
 Signature

80MBW051-005

AUG 20 1984

Ref: PNM-DW

Mr. James E. Johnson, Production
Grace Petroleum Corporation
143 Union Boulevard, Suite 760
Lakewood, Colorado 80228

P 717 266 216
(642)

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to	James Johnson, Grace Pet
Street and No.	143 Union Blvd. S. 7
P.O. State and ZIP Code	Lakewood, CO 80228
Postage	\$
Certified Fee	\$
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

* U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Re: Underground Injection Control (UI)
Permit Applications for:
EPU 110XD (Permit # MTS21PE-0007)
Goings Government (Permit # MTS21PW-0008)
Buck Elk #2 (Permit # MTS21PE-0009)

Dear Mr. Johnson:

On August 6, 1984, we received your applications for UIC permits to allow the injection of produced brine into the above-referenced wells. We have determined that there are a number of deficiencies and/or parts missing from the applications. Accordingly, we will not be able to declare the applications complete and begin processing them until this information has been received. Certain deficiencies are common to all three of the applications and they are listed below. Well-specific deficiencies follow the general listing. The problems that must be addressed on each of the three permit applications are as follows:

1. SIGNATORY (40 CFR Section 144.32 (a) and (b)): The person who signs the permit applications must be either: 1) A principal executive officer of at least the level of a Vice-President or; 2) A duly authorized representative so identified in writing by a Vice-President or higher.
2. DESCRIPTION OF INJECTION OPERATION (40 CFR Section 144.31(e)(1)): In the interest of expediency and clarity, please submit a brief (one or two paragraph) description of each injection operation (e.g., Well # 1 is injecting into the X formation and the injection fluid will be composed of produced water from well #'s 2 and 3, producing from the Y formation).
3. PERMIT APPLICATION FORM: Please note that on Part V of your application forms, we have added the appropriate Standard Industrial Classification (SIC) code for your operation, which is 1311.
4. AREA OF NOTIFICATION (40 CFR Section 147.1355 (b) and (c)): You are required to give separate notice of intent to apply for a permit to each owner or tenant of the land within a quarter-mile of the subject well. Since the Goings Government well is located on Indian Lands, the area of notification is extended to a one half-mile radius of the well.

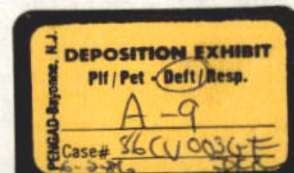
L. Clemmens: 8-16-84: W: 7333P, Ex 2731

8/20/84
R. L. Long
8/14/84

8/14/84
Fleming

8/16/84
BRC
Hudson

8/17/84
Duke



#1015

This notice shall include: 1) the company's name and address; 2) a brief description of the injection activity including well name and location, depth of injection zone, maximum injection pressure and volume, and nature of fluid to be disposed; 3) the EPA contact person; and 4) a statement that opportunity to comment on the injection operation will be announced by EPA when a draft permit has been written.

When you have given notice, please submit a list of the names and addresses of the owners of record to whom you have sent notice to this office.

5. TOPOGRAPHIC MAP (40 CFR Section 144.31 (e)(7)): The UIC regulations require that a topographic map (or other map, if a topographic map is unavailable) be provided with the application. The map should show the area extending one mile beyond the boundary of the subject well. Please submit such a map for each of the three wells.

6. NAME AND DEPTH OF USDWs (Attachment E): A submittal of data on USDWs which may be affected by the injection operation is required. An Underground Source of Drinking Water (USDW) is any aquifer that is currently used as a source of drinking water, or has a Total Dissolved Solids level of 10,000 mg/l or less. It is EPA policy to expect that any USDW overlying an injection zone has the potential for becoming contaminated by that injection. Because of the depth of these wells, it is highly unlikely that there are not any USDWs above the injection zones. Please identify all USDWs (Fox Hills, Judith River, etc.) penetrated by the well shafts, and explain why they will not be adversely affected by the injection operation.

7. GEOLOGICAL DATA ON INJECTION AND CONFINING ZONES (Attachment G): The data submitted on the confining zones is incomplete. Please submit data on the thickness, depth and fracture pressure of each of the confining zones. If possible, please submit a local geological map and a site-specific stratigraphic column.

8. OPERATING DATA (Attachment H): Although you have indicated that the injected fluid consists of produced water from production wells and have provided us with water analyses, the information is sketchy and unclear. Please indicate ALL the fluid sources for each injection well, as well as a water analysis for each source well or a representative analysis for multiple source wells. If such analyses are not available, please advise us.

9. PLUGGING AND ABANDONMENT PLAN (Attachment Q): Please resubmit the plugging and abandonment data for each well on EPA Form 7520-14, Plugging and Abandonment Plan. We have enclosed three of these forms for your convenience.

10. NECESSARY RESOURCES (Attachment R): Please submit a copy of the surety bond you have referenced for each well.

WELL-SPECIFIC DEFICIENCIES

In addition to addressing the issues mentioned above for all three wells, please respond to the well-specific issues listed below:

GOINGS GOVERNMENT:

1. The downhole diagram for this well is unsatisfactory. You have stated that because the well was abandoned and reentered, the depth of the surface casing is unknown. The protection of USDWs requires that we know the depth of the surface casing and assure that the surface casing is cemented to the surface. We request that you either provide us with the original completion report for this well showing the depth of the surface casing, or that you run an appropriate log to determine the depth of the surface casing and the quality of the cement bond. Also, what does the 7° top represent? Casing? Cement? Please delineate all cement tops. What is the total depth of the well?

EPU 110XD:

1. The water analysis submitted as part of Attachment H (Operating Data) is insufficient for our purposes. There is no indication of the source of the analyzed water, nor is there any TDS level shown. Please submit a more appropriate analysis for this well. See comment 8 on Page 2.

2. We have one question on the wellbore diagram. Is the EPU 110XD cemented from the TD (7359') to 4700' as indicated?

As soon as we receive all the information listed above, we will be able to proceed with processing the permits. Please submit the required information to the Denver Regional office as soon as possible, but no later than September 10th. If you have any questions regarding this letter, or on the status of your applications, please contact Laura Clemmens at (303)844-2731.

Sincerely,

/s/ Alexandra B. Smith

John G. Welles,
Regional Administrator

Enclosures

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

AUG 14 1984

Ref: 8RC

Mr. James Johnson
 Grace Petroleum Corporation
 143 Union Boulevard, Suite 760
 Lakewood, Colorado 80228

Dear Mr. Johnson:

On June 25, 1984, you were requested to submit Underground Injection Control (UIC) permit applications for the following wells:

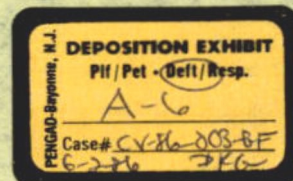
EPU 110XD;
 Buck Elk No. 2;
 Goings Government;
 Huber No. 1;
 Huber No. 2.

The date for compliance was set at July 30, 1984.

Per the prescriptions of 40 C.F.R. Section 144.25(b) our notice to you included a statement of the reasons for our decision to require you to apply for a permit; an application form; a statement setting a reasonable time within which you were to submit the applications to this office; and a statement noting that on the effective date of the UIC permit, your authorization by rule to operate the designated wells would no longer apply.

On August 6 this office received applications for the EPU 110XD, Buck Elk No. 2 and Goings Government wells along with notice that the Huber No. 1 and Huber No. 2 wells are producers and therefore not covered by the UIC program.

Your failure to respond on or before July 30, 1984 is a violation of the Safe Drinking Water Act. Also, as stated in 40 C.F.R. Section 144.21(a)(2) your authorization by rule to operate the above designated wells has expired effective July 31. Any underground injection, except as authorized by rule or permit issued under the UIC program, is prohibited. Any injection operations at the designated wells after July 30 and prior to the issuance of a UIC permit from EPA constitutes continued violation of the Safe Drinking Water Act and subjects you to the liabilities therein prescribed.



CONCURRENCES

SYMBOL	SWM-DEW	SWM					
SURNAME	R. R. Long	Gadsil					
DATE	8/15/84	8/15/84					

If you have any questions regarding this letter or the requirements under the UIC program, please contact Laura Clemmens at the EPA Denver Regional Office (303) 844-2731.

Sincerely,

Original signed
John G. Welles

John G. Welles
Regional Administrator

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS
Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits.
- Otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

RETURN
TO

DHobson:gr:08/01/84
rewritten RRLONG:08/10/84:5267G
lost between 8/10/84 and 8/15/84
rerun 8/15/84

STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE, CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier (no extra charge)
 2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article. Detach and retain the receipt, and mail the article.
 3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card Form 3811, and attach it to the front of the article by means of the gummed strip. Otherwise, affix to back of article. Endorse front of article RETURN RECEIPT REQUESTED adjacent to the number.
 4. If you wish delivery restricted to the addressee, or to an authorized agent of the addressee, endorse RESTRICTED DELIVERY on the front of the article.
 5. Enter fees and services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
- Give this receipt and present it if you make inquiry

51-003

PS Form 3811, July 1983

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☒ Show to whom, date and address of delivery.
 2. ☐ Restricted Delivery.

3. Article Addressed to:

Mr. James Johnson
 Grace Petroleum Corporation
 143 Union Boulevard, Suite 760
 Lakewood, Colorado 80228

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

641

Always obtain signature of addressee or agent and
 DATE DELIVERED.

5. Signature — Addressee

X

6. Signature — Agent

X

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

DOMESTIC RETURN RECEIPT

8-16-C

P 546 001 835

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL

(See Reverse)

PS Form 3800, Feb. 1982

* U.S.G.P.O. 1983-403-517

Sent to	
Street and No.	
P.O., State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	